

EXHIBIT I

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UNITED STATES DISTRICT COURT

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NORTHERN DISTRICT OF CALIFORNIA

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SAN FRANCISCO DIVISION

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ORACLE AMERICA, INC.,)

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Plaintiff,)

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vs.)

No. CV 10-03561 WHA

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GOOGLE, INC.,)

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Defendant.)

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Videotaped deposition of ERIC E. SCHMIDT, taken at

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the offices of Google, 1600 Amphitheatre Parkway,

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Room B43, Mountain View, California, commencing at

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12:44 p.m., on Tuesday, August 23, 2011, before

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Leslie Rockwood, RPR, CSR No. 3462.

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<p>1 other platforms and services as they wish. As I 2 understand it -- and I might get this slightly wrong -- 3 the license asks that you -- if you make a change, you 4 have to publish that change back into the same community. 5 The general term for this area is called Open 12:51:04 6 Source, is what I was referring to. 7 Q. And when you say "publish the change back 8 into the community," you mean make it available to the 9 community without charging people for it? 10 A. Under similar terms. 12:51:16 11 Q. Under similar terms, the Apache license? 12 A. That's correct. That is my understanding. 13 Q. All right. And that was your understanding 14 when you were the Google CEO; correct? 15 A. Uh-huh, yes. Yes. 12:51:27 16 Q. Now, how does making this Android platform 17 available -- you're not getting money directly for it. 18 It's costing you money to do it; correct? 19 A. Uh-huh. 20 Q. So how do you plan to make a profit from 12:51:46 21 that? 22 MR. VAN NEST: Objection. Form. 23 THE WITNESS: Well, Google is a company of 24 many different initiatives, some of which are highly 25 profitable. So, for example, our text search ads 12:51:59 10</p>	<p>1 I'll describe the calculation. So we pay their salaries. 2 You assume that they cost \$150,000 a year, and you assume 3 that we have that for three or four years. So use round 4 numbers. 200 and three of the years, that would be 600 5 man years. So whatever that works out to be. Multiply 12:54:00 6 that out times 150,000. 7 And there are probably some additional 8 license fees that might have been paid along the way, 9 which I don't remember. 10 Q. BY MR. BOIES: Now, in addition to the 12:54:14 11 engineers that are included in this, are there other 12 people in Google who devote time and effort and expense 13 to Android? 14 MR. VAN NEST: Objection. Form. 15 THE WITNESS: I'm sure that there are, but I 12:54:35 16 don't know what the number would be. 17 Q. BY MR. BOIES: Has Google, at any time that 18 you are aware of, attempted to make an estimate of how 19 much it would cost to develop and distribute Android? 20 MR. VAN NEST: Objection. Form. 12:55:06 21 THE WITNESS: I'm not aware of one. 22 Q. BY MR. BOIES: Has Google ever made any 23 effort that you are aware of to estimate the dollar value 24 to Google of Android? 25 A. I'm not aware of one. 12:55:30 12</p>
<p>1 business, and others which are either things which we 2 think are good for the world or things which will improve 3 computer science. 4 So at various points with Android, we've had 5 various ideas as to where it is in that. But I think it 12:52:19 6 would be fair to say that Android is seen as an important 7 platform for -- for people to do new things in mobile 8 computing. It's not articulated with a stronger answer. 9 Q. BY MR. BOIES: Would it be accurate to say 10 that the model Google has for Android is to make it 12:52:41 11 available for free and to make money from advertising and 12 the value-added services that go on top of the Android 13 platform? 14 A. That's a component of our strategy, yes, 15 and -- yes. 12:53:06 16 Q. And what would you estimate the cost to 17 Google has been so far in developing and distributing 18 Android? 19 MR. VAN NEST: Objection. Form. 20 THE WITNESS: I don't know the specific 12:53:23 21 numbers. So I can estimate. 22 Q. BY MR. BOIES: Your best estimate. 23 MR. VAN NEST: Objection. Form. 24 THE WITNESS: I would estimate that there are 25 some number of hundreds of engineers. It's easier if 12:53:38 11</p>	<p>1 Q. Has Google ever, insofar as you are aware, 2 attempted to determine how much value Google could expect 3 to get for each Android handset that was distributed? 4 MR. VAN NEST: Objection. Form. 5 THE WITNESS: I'm not aware of a number. 12:55:56 6 Q. BY MR. BOIES: You, from time to time, have 7 earnings calls or had earnings calls when you were CEO; 8 correct? 9 A. Yes. 10 Q. Do you still participate in earnings calls as 12:56:18 11 chairman of the executive board? 12 A. I do not. 13 Q. What were the purposes of the earnings calls 14 that you participated in? 15 A. As I understand, they are traditional in 12:56:32 16 large public companies. 17 Q. And is it your understanding that a primary 18 purpose of it is to speak to analysts that follow 19 Google's stock? 20 A. They are on the call, absolutely. 12:56:52 21 Q. And you understand that they will be taking 22 into account things that you say in terms of deciding 23 whether or not to recommend that investors purchase 24 Google stock? 25 A. Yes. 12:57:08 13</p>